## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF ADJUSTMENT OF THE )
RATES OF KENTUCKY-AMERICAN ) CASE NO. 9482
WATER COMPANY EFFECTIVE ON )
AND AFTER FEBRUARY 7, 1986 )

## ORDER

Based on the prefiled testimony and the responses to data requests, the Commission has determined that the following items are issues under review in this case:

- 1. Committed Construction in Rate Base.
- 2. Versailles Project.
- Service Company Expenses.
- 4. Rate Case Expenses.
- 5. 24" Reinforcing Main placed in service in July, 1985.
- 6. Operations and Maintenance Expenses.
- 7. Rate Design.
- 8. Demand Projections.
- 9. Reserve Capacity.
- 10. Least-Cost Planning Study.
- 11. 1985 Comprehensive Plan including but not limited to: Statistical Reliability of University of Louisville Urban Studies Center Population Projections.
  - 12. The Appropriate Capital Structure.

- 13. The Appropriate Cost of Preferred Stock.
- 14. The Appropriate Rate of Return on Common Equity.

  Done at Frankfort, Kentucky this 2nd day of May, 1986.

PUBLIC SERVICE COMMISSION

For The Commission

ATTEST:

Secretary